

Frequently Asked Questions about health insurance reform

Why do we need health insurance reform?

- Rising health care costs are squeezing family budgets, keeping businesses from hiring new employees, and putting our companies at an unfair advantage in the competitive global economy.
- Our health care system has some of the best technologies and treatments in the world, but we're not the healthiest country as a result.
- Health insurance reform builds upon what's working and fixes what is broken to ensure that health care is more affordable and doctors and patients are in charge of health care decisions -- not insurance companies.

I have a health insurance plan I like -- how will reform affect me?

- The health insurance reform law protects your existing coverage, and encourages employers to maintain it.
- The new law ensures that even if you lose your job or get sick, you'll have access to affordable health care coverage for you and family.
- By bringing millions of currently uninsured people into the system, reform will decrease the \$1,100 families pay on average to cover the health care costs of the uninsured.

I have a pre-existing condition -- how will reform help me obtain coverage?

- Insurance companies will be prohibited from charging excessively high premiums or refusing to insure people who have had cancer, heart disease, diabetes or other pre-existing conditions.
- Six months after enactment, a high-risk pool will be created to provide immediate access to coverage for those who are uninsured due to pre-existing conditions. These policies will remain in place until insurance exchanges are up-and-running.
- Insurance companies will also be prohibited from denying coverage for children with pre-existing conditions.

What are health insurance exchanges?

- Families, individuals and small businesses that need to purchase coverage on their own have been forced to pay exorbitant prices since they don't have the purchasing power of a large group or companies.
- Beginning in 2014, each state will establish an Exchange to pool these people together to help them obtain more affordable coverage. Exchanges will be one stop shops where people can comparison shop for a plan.
- To participate in the Exchange, an individual must not have access to health care through their employer or cannot already be on a government health care plan like Medicare or TRICARE.
- Members of Congress and their staff will participate in the Exchange and will have the same options as everyone else obtaining their insurance from an Exchange.

How will health reform make insurance more affordable?

- Beginning in 2014, sliding scale tax credits will be available to individuals and families without employer provided coverage to make insurance more affordable. The credits phase out completely for an individual with \$43,000 in income and a family of four with \$88,000 in income.
- All co-pays for preventative services, including immunizations, will be eliminated.

Does health reform cut benefits under Medicare?

- To be 100% clear – health reform does not reduce Medicare benefits in any way, shape or form. Billions of dollars are lost every year to waste, fraud and abuse in Medicare- this bill targets this by:
 - Reducing overbilling by providers,
 - Cutting down on duplicative paperwork and tests,
 - Cracking down on abuse from those who fraudulently bill Medicare, and
 - Preventing dangerous hospital readmissions by providing follow up care that will help individuals safely transition home after a hospital stay.

- These reforms should extend the solvency of Medicare by almost a decade.

I'm a senior. How will health reform help me with my prescription drug costs?

- This year, any senior who finds themselves in the Medicare Part D donut hole will receive a \$250 rebate to help pay for prescription drugs.

- In 2011, a 50% discount on all brand name medication will be available to those in the donut hole.

- The donut hole will be phased out entirely by 2020.

I own a small business. Will I be required to provide health insurance for my employees?

- If you employ fewer than 50 people, you are exempt from the requirement to provide health insurance.

- If you employ 25 people or fewer and choose to provide insurance, you'll receive tax credits to make doing so more affordable.

- If you provide insurance to your employees, starting in 2014, you'll be able to purchase group plans for your employees through the Exchange. The Exchange will allow small business owners to get much more competitive rates on group plans. Currently, small businesses are charged an average of 18% more than big businesses for identical health plans.

Does the new health insurance reform law provide health insurance to illegal immigrants?

- Absolutely not. Section 1411 of the law states that only American citizens or an alien lawfully present in the United States is eligible to purchase health insurance on the exchange and is eligible for affordability credits to purchase health insurance.

I am a veteran. What will happen to my insurance coverage?

- Nothing. The health insurance reform law does not touch VA health care.

How are we paying for health insurance reform? Won't this add to the debt?

- According to the non-partisan, independent Congressional accounting office (CBO), health reform is fully paid for and should reduce the deficit by \$138 billion over the next ten years.
- Health reform is paid for by:
 - Eliminating waste, fraud and abuse in Medicare and Medicaid.
 - Taxing investments made by individuals who make more than \$200,000 a year or couples that make more than \$250,000.
 - Ending the need for cost-shifting from those without insurance to paying customers.

Is this a government takeover of health care?

- The insurance industry's 1,700 lobbyists have done their best to scare people by saying health insurance reform is a government takeover of the health care system. This just isn't true.
- Reform does not turn our health care system into a single-payer, wholly government administered health care system, like Great Britain or Canada.
- Instead, health reform builds on the existing system of private insurance.
- According to the non-partisan, independent Congressional accounting office (CBO), health care reform would result in additional 16 million Americans enrolled in private health insurance plans.
- As Former Republican Senate Majority Leader Bill Frist said:
 - "What the Obama administration is doing is not socialized medicine. Socialized medicine is where the government owns the hospitals, owns the doctors, and decides how people get paid. That's not what's in these bills (C-SPAN 10/16/09)."

Will my federal tax dollars go towards supporting abortion?

- No federal funds can be used for abortions. The health reform law clearly reiterates the existing ban, with exceptions for rape, incest, or life of the mother.

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